Approved For Release 10 6/15 ECR 15 100975 A003900310001-4

5 September 1958

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CENTRAL

INTELLIGENCE

BULLETIN



State Dept. review completed

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CENTRAL INTELLIGENCE BULLETIN

5 September 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

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Communist China: Peiping's official declaration that its territorial waters extend 12 miles from a base line drawn to include all coastal islands apparently is intended to formalize a claim to such a territorial limit. The declaration indirectly warns the US against escort activities on behalf of the Chinese Nationalists, stating that "no airplane or military vessel of any foreign country" shall enter China's territorial waters or skies without Peiping's permission. Taiwan and the Penghus --which "will some day be restored"--are included in Peiping's claims, as are the South China Sea islands, but the warning is not explicitly extended to these areas.

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Approved For Release 2002/08/16: CIA-RDP79T00975A003900310001-4 25X1 II. ASIA-AFRICA Indonesia: Army chief Nasution, in an appeal for additional US military assistance, has stated the army intends to maintain the present cabinet in power for five years and cancel all elections during that period. He claims he has already told the National Council it will not be possible to hold national elections as scheduled in 1959. The task of the army, as Nasution defines it, will be to steer Indonesia down the middle of the road between Communism and a Moslem state. 25 🗱 Morocco - Arab League: The decision announced by the 25X1 Moroccan Government on 3 September to apply for membership in the Arab League reflects its growing interest in Arab solidarity. The decision probably was influenced by the recent visit to Rabat of the Iraqi for eign minister, the unity recently exhibited by Arab representatives at the United Nations, and the need for continued Arab solidarity during forthcoming UN consideration of the Algerian problem. 25% 25X1 5 Sept 58 DAILY BRIEF ii

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Iraq: The government has announced that it will welcome the return to Iraq of Mulla Mustafa Barzani, dissident Kurdish nationalist leader. He has lived in the Soviet Union since the last Kurdish revolts in Iraq and Iran in 1943-46. His return seems likely to increase Soviet influence among Iraqi Kurds and will alarm the Iranian and Turkish governments, which are already disturbed over Iraqi propaganda directed at their important Kurdish minorities.

III, SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

National Intelligence Estimate No. 62-58. Thailand. 19 August 1958.

Special National Intelligence Estimate No. 100-9-58.

Probable Developments in the Taiwan Strait Area. 26 August 1958.

National Intelligence Estimate No. 11-5-58. Soviet Capabilities in Guided Missiles and Space Vehicles. 19 August 1958.

National Intelligence Estimate No. 100-3-58. The Nature of the Sino-Soviet Bloc Economic Threat in the Underdeveloped Areas. 5 August 1958.

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5 Sept 58

DAILY BRIEF

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Peiping Formalizes Claim to 12-Mile Territorial Limit

Peiping's official declaration on 4 September that its territorial waters extend 12 miles from a base line drawn to include all coastal islands apparently is intended as formal documentation of its claim to such a territorial limit and to the offshore islands themselves. The declaration was "approved" on the same day by the standing committee of the National People's Congress—Peiping's version of the Supreme Soviet. China has already been operating on the basis of a 12-mile limit in sporadic seizures of non-Communist fishing vessels over the past four years.

The declaration indirectly warns the US against escort activities on behalf of the Chinese Nationalists, stating that "no airplane or military vessel of any foreign country" shall "enter the territorial waters of China or the skies above without Peiping's permission. Taiwan and the Penghus (Pescadores)—which the declaration says will be "restored" at the "appropriate time by all suitable means"—are included in Peiping's claims, but the warning is not explicitly extended to these areas. There is no mention of Hong Kong or Macao, which are covered by formal agreements.

The South China Sea islands which have been marked on Peiping's maps as Communist territory are included in the claim. There have been Chinese Communist personnel on one of the Hsisha Islands (Paracels) collecting guano since at least 1955. The Paracels are also claimed by Nationalist China and by both North and South Vietnam. Peiping's claims to the Nan. Sha (Spratly) islands farther south are disputed by Nationalist China, South Vietnam, France, and a Philippine national.

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II. ASIA-AFRICA

Indonesian Army Chief of Staff Discusses Anti-Communist Program

Indonesian Army Chief of Staff General Nasution outlined to American General Vittrup, currently in Indonesia to oversee the arrival of American equipment, his program for political stability and the obstruction of Communism. In what amounted to an appeal for additional military assistance to provide the strength to implement his program, Nasution said the army's task is to steer a middle-of-the-road course, preventing either a move to the left and Communism or to the right and a Moslem state.

Nasution claimed the army intends to make sure the present cabinet stays in power for the next five years. He has already informed the National Council that parliamentary elections, scheduled for 1959, must be postponed. He explained to the council that people in combat areas would be unable to participate, and that any national elections would therefore be "undemocratic." General Nasution said he had already taken action to bring the West New Guinea issue under army control and thus prevent the Communists from capitalizing on the issue.

Nasution's ability to carry out his program would be dependent on the support of President Sukarno. Communist and left-wing elements, however, are reported trying to force a misunderstanding between Sukarno and Nasution, and this pressure will become increasingly severe as Nasution's moves become more apparent. The Communists, who would be expected to increase their parliamentary strength significantly if elections are held in 1959, have already strongly denounced the possibility of any post-

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Morocco to Join Arab League

The decision announced by the Moroccan Government on 3 September to apply for membership in the Arab League reflects Morocco's growing interest in Arab solidarity. Morocco had postponed entry into the league because of its unwillingness to be drawn into Iraqi-Egyptian rivalries. The decision probably was influenced by the visit to Rabat of the Iraqi foreign minister, who apparently had a cordial audience with King Mohamed V on 29 August. The Moroccan Government also was influenced by the degree of unity achieved last month by Arab representatives at the United Nations and the need for continued Arab cohesion during the forthcoming UN consideration of the Algerian problem.

The Moroccan undersecretary for foreign affairs, who is in Tunis attending a meeting of the Maghreb Secretariat, was instructed to inform Tunisia -- with which Morocco has agreed to coordinate all foreign policies -- of the Moroccan decision. Tunisian President Bourguiba was the prime mover in the creation last April of an embryonic Maghreb federation, composed of Algeria, Morocco, and Tunisia, which he seems to hope will serve as a counterweight to the eastern bloc of Arab states. Bourguiba, who is outspokenly anti-Nasir, may be expected to view current attempts to revitalize the Arab League as a maneuver by UAR President Nasir to dominate all Arab countries. Should be consider the Moroccan decision a threat to Maghreb unity, he may attempt to dissuade Rabat from joining the league. Nevertheless, when Morocco becomes a league member, domestic pressure within Tunisia probably will be strong enough to induce Bourguiba to follow suit.

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Iraqi Regime Invites Refugee Kurdish Leader to Return

Mulla Mustafa Barzani, dissident Kurdish nationalist leader who has been living in the USSR, has been extended a welcome by the Iraqi Government to return home. Mulla Mustafa's Barzani Kurds engaged in armed uprisings against the Iraqi Government from 1943 until October 1945. Forced to flee with several thousand followers to Iran, he helped organize a Soviet-sponsored Kurdish republic there in 1945. Following the collapse of this short-lived regime, he fled with several hundred of his followers to the USSR, where he allegedly received a commission in the Red Army. The Barzani Kurds are not a tribe, but a sect loyal to the Barzani family sheiks, who are regarded as prophets by their followers.

The Mulla's return to Iraq seems likely to increase Soviet influence among Iraq's 800,000 Kurds, and the warm welcome extended by Prime Minister Qasim is likely to enhance Qasim's prestige among the Iraqi Kurdish element at the expense of pro-Nasir Vice Premier Arif. It is doubtful that the UAR will take a favorable view of Barzani's return, since the Kurdish nationalists probably would oppose any union by Iraq with Nasir's UAR. The Iranian and Turkish governments, which have large Kurdish minorities--1,500,000 in Turkey and 500,000 in Iran--in areas near the Soviet border, will be alarmed by his return and will expect increased agitation among their Kurds. Iraqi broadcasts reportedly have already appealed to Kurds in Iran to overthrow the monarchy and establish a republic.

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Assistant Chief of Staff for Intelligence, Department of the Army

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